



EPA Region 5 Records Ctr.



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Lee R. Cunningham
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April 9, 2002

Tom Turner
Associate General Counsel
U.S. EPA - Region V
Office of Regional Counsel (C-14J)
77 West Jackson Boulevard
Chicago, IL 60604

Re: RRG/Clayton Chemical Site (1 Mobile Avenue, Sauget, Illinois)
General Notice of Potential Liability Letter

Dear Mr. Turner:

This letter is in response to the above-referenced notice to Archer Daniels Midland Company (ADM) dated March 6, 2002. In that letter U.S. EPA indicates that ADM is a potentially responsible party (PRP) for the clean-up of the RRG/Clayton Chemical Site (Site). U.S. EPA also requests ADM to notify it by letter regarding ADM's willingness to perform or finance the clean-up activities and that such letter include contact information.

I am the appropriate contact for ADM. My title is Corporate Environmental Counsel for ADM. My address is 4666 Faries Parkway, P.O. Box 1470, Decatur, IL 62526. My phone number is (217) 451-4883. My fax number is (217) 451-4181, and my email address is cunningham@notes.admworld.com

ADM is interested in negotiating a resolution of its potential responsibility in connection with the Site. While ADM does not currently anticipate performing the clean-up, it is willing to pay its proportionate share of the clean-up costs.

Based upon the volumetric information you faxed to me, ADM was a relatively small contributor of wastes to the Site. Based on my own rough calculations, the data indicates that ADM may have contributed approximately 0.7% of the wastes contributed by the top 30 PRPs. That calculation is based upon U.S. EPA's estimate that ADM contributed 21,839 gallons of waste.

ADM has been unable to confirm that number. In fact, ADM initially believed that the public documents U.S. EPA has made available in Collinsville, Illinois, indicated that ADM contributed approximately 2,600 gallons to the Site. However, that discrepancy may be explained by uncertainty regarding the volumetric units used in the waste reports.



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Fax Cover Sheet

To: Tom Turner

Company: U.S. EPA

Fax: 312/886-0747

Date: April 9, 2002

Pages incl. cover:

Comments:

CONFIDENTIALITY NOTICE:

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Based upon my summation of the set of waste reports you faxed to me, ADM's total appears to be 21,580 units of waste plus 30 different units of waste. Depending upon what those units are, it is possible that we agree on the amount indicated by those records. However, ADM also has not yet had sufficient time to determine whether it has any records to confirm or refute U.S. EPA's information.

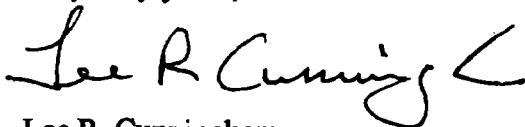
Even assuming that U.S. EPA's data is accurate, ADM was a minor contributor to the Site, such that taking the lead in the remediation activities appears inappropriate, and while ADM is willing to pay its fair share of the clean-up, ADM does not yet have sufficient information to determine what its fair share may be. Given that the clean-up cost has been estimated at \$3 - \$3.5 million, and again assuming that USEPA's volumetric calculations are correct, ADM's share (disregarding any potential orphan share or settlement premium) would be approximately \$21,000 - \$25,000. That amount justifies at least some effort on ADM's part to investigate whether it has any evidence confirming or denying USEPA's calculations. Thus, ADM is not presently prepared to make an informed settlement offer.

On the other hand, a payment of that amount does not justify a major effort to confirm or deny USEPA's calculations. ADM could easily spend more than that amount on legal fees, consultant fees, and internal work time without being able to determine its proportionate share precisely. Therefore, ADM intends to check its records and to identify and talk to its own employees who may be knowledgeable of waste shipments to the site. ADM also understands that other PRPs have arranged a meeting for April 24th, and ADM anticipates participating in that meeting. Once ADM completes these efforts ADM will likely make a settlement offer. ADM anticipates doing so before the end of the month.

ADM appreciates your efforts to provide relevant information and to allow ADM a few extra days to prepare this response. ADM trusts that this letter is an adequate response to USEPA's March 6th letter.

Please call me if you have any questions or desire any further information.

Very truly yours,



Lee R. Cunningham
Corporate Environmental Counsel

LRC/sjs
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